

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

## SENATE ENROLLED ACT No. 173

AN ACT to amend the Indiana Code concerning pensions.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 10-1-1.9-10 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 10. "Supplementary trust agreement" means an agreement that has the force and effect of law between the department and the trustee concerning the police benefit fund (as described in IC 10-1-2-6).**

SECTION 2. IC 10-1-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 4. (a) As used in this section, the "Americans with Disabilities Act" means the Americans with Disabilities Act (42 U.S.C. 12101, et seq.) and the regulations and amendments related thereto.

(b) Authority is hereby granted to the department to establish, operate, and make necessary contributions to a disability reserve account for the payment of disability expense reimbursement and pension to disabled employee beneficiaries. **The department also may do the following:**

- (1) Establish, under the terms of a supplementary trust agreement, disability expense reimbursements and disability pensions to be paid to employee beneficiaries who incur a disability in the line of duty.
- (2) Establish, under the terms of a supplementary trust agreement, disability expense reimbursements and disability



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pensions to be paid to employee beneficiaries who incur a disability not in the line of duty.

**(3) Seek rulings from the Internal Revenue Service as to the federal tax treatment for the line of duty disability benefits authorized by this section.**

**Except as provided in subsection (e),** no monthly disability pension shall exceed the maximum basic pension amount. However, in the case of disability incurred in line of duty, such employee beneficiary may receive not more than forty dollars (\$40) per month for each dependent parent and dependent child less than eighteen (18) years of age, in addition to the monthly disability pension payment under this chapter. Time in disability pension status shall be deemed qualifying active service for purposes of calculating retirement pension. ~~and retirement pension contributions in the amount prevailing at the commencement of disability leave shall be withheld from monthly disability pension payments rather than from wages for the duration of disability leave.~~

(c) This section shall be administered in a manner that is consistent with the Americans with Disabilities Act, to the extent required by such act.

(d) A disability payment made under this chapter is worker's compensation in lieu of a payment under IC 22-3-2 through IC 22-3-7.

**(e) A regular, paid police employee of the state police department who is permanently and totally disabled by a catastrophic personal injury that:**

- (1) is sustained in the line of duty after January 1, 2001; and**
- (2) permanently prevents the employee from performing any gainful work;**

**shall receive a disability pension equal to the employee's regular salary at the commencement of the disability. The disability pension provided under this subsection is provided instead of the regular monthly disability pension. The disability pension provided under this subsection must be increased at a rate equal to any salary increases the employee would have received if the employee remained in active service.**

SECTION 3. IC 10-1-2-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 11. The child or spouse of an employee beneficiary who has been permanently and totally disabled by a catastrophic personal injury that was sustained in the line of duty and permanently prevents the employee beneficiary from performing any gainful work may not be required to pay tuition or mandatory fees at any state supported college, university, or technical school,**



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if:

- (1) the child is less than twenty-three (23) years of age and is a full-time student pursuing a prescribed course of study; or
- (2) the spouse is pursuing a prescribed course of study toward an undergraduate degree.

SECTION 4. [EFFECTIVE JULY 1, 2002] IC 10-1-2-11, as added by this act, applies to the child or spouse of a regular, paid police employee of the state police department if the regular police employee of the state police department was permanently and totally disabled by a catastrophic personal injury that:

- (1) was sustained in the line of duty; and
- (2) permanently prevents the employee from performing any gainful work;

before, on, or after July 1, 2002.

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President of the Senate

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President Pro Tempore

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Speaker of the House of Representatives

Approved: \_\_\_\_\_

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Governor of the State of Indiana

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SEA 173 — Concur+

